

Star Stone Quarries, Inc.

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Salt Lake City, UT 84107
Tel. (801) 262-4300

D. Wayne Hedberg
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple
Salt Lake City, UT 84114

RECEIVED
JUN 30 2003
DIV. OF OIL, GAS & MINING

June 23, 2003

RE: Amendment to Mining Operations, Star Stone Quarries, Cotton Thomas
Mine, M/003/024, Box Elder County

Dear Mr. Hedberg:

Pursuant to our meeting with yourself, Lynn Kunzler and Doug Jensen on June 16, 2003, we submit an amendment to our mine plan as discussed in the meeting. Thank you for taking the time to meet with us and discuss our concerns with the bonding and other mining issues. We appreciate your willingness to listen to us and work with us in accomplishing both of our goals for the Cotton Thomas mining operation. This amendment applies to the Plan of Operations submitted on May 19, 2000 and any subsequent modifications stemming from that original Plan of Operations.

In that meeting we discussed why bonding had increased by such a large percentage and discussed possible reasons as to why the new surety amount would be so much more than the usual 3%/year increase. We then went through line by line the amounts for each item or service. The biggest cost association seemed to be the quantity increase in unit cost for topsoil replacement and/or haulage. We discovered this was significantly high due to the topsoil haulage and/or replacement being done with a CAT with distances greater than 300 feet.

With this information and discovery, we then discussed possible adjustments to the

plan that would lower the bond amount. We discussed a few things we could do which included: (1) Multiple, smaller topsoil piles, so that it would entail dozer cost only rather than a loader, etc. (2) Cut manure to half the amount so that 5 tons/acre will be spread with the topsoil. (3) Reclaim as we proceed at each quarry, thus eliminating extensive material handling, as material handling is the most expensive part of reclamation.

Amendments:

Rule R647-4-106-Operation Plan

106.6 - Plan for protecting and redepositing existing soils

Our original Plan of Operations stated that any shortfalls in recovering soil materials would be made up by bringing soil material from the camp area to the needed quarry areas for reclamation. The average haul distance for this was two miles. We have located sufficient topsoil at each of the quarries to eliminate the need to haul topsoil from the camp area. All topsoil for each individual quarry site is at or near the quarry site, thus canceling the need to haul it the two miles as previously considered in the plan.

Our original Plan of Operations also stated that the soils would be amended with 10 tons per acre of composed manure. We amend this to 5 tons per acre of composed manure. Five tons per acre is a sufficient addition to the native topsoil that will be used in reclamation of the areas.

Aspen Frost/Klondike Gold

Topsoil for reclamation will come from piles at the quarry sites. Topsoil will not need to be hauled from the camp area. The topsoil will be salvaged and divided into multiple small piles located so that there is less than 300 feet distance to travel when redepositing the topsoil. (See map #1) Composted manure will be at five tons per acre rather than 10 tons per acre.

Changes in estimated bonding from amendment:

Activity	Quantity	May '03 bond estimate	Amended bond estimate
topsoil haulage	5593 CY	@\$3.47 = \$19,408	@\$0.64 = \$3,580
manure	22.5 acre	@\$300 = \$6,750	@\$150 = \$3,375

Amended total = \$ 6,955

Autumn Gold

There is sufficient topsoil at the Autumn Gold quarry. Topsoil will not need to be hauled from the camp area. The topsoil will be salvaged and divided into 3-4 small piles located so that there is less than 300 feet distance to travel when redepositing the topsoil. (See map #2) Composted manure will be at five tons per acre rather than 10 tons per acre.

Changes in estimated bonding from amendment:

Activity	Quantity	May 03 bond estimate	Amended bond estimate
topsoil haulage	1225 CY	@\$3.47 = \$4,251	@\$0.64 = \$784
Manure	13.26 ac.	@\$300 = \$3,978	@\$150 = \$1,989

Amended Total = \$ 2,773

Buckskin

There is enough topsoil at the quarry site. Topsoil will not need to be hauled from the camp area. The topsoil will be salvaged and divided into 2-3 small piles located so that there is less than 300 feet distance to travel when redepositing the topsoil. (See map #3) Composted manure will be at five tons per acre rather than 10 tons per acre.

Changes in estimated bonding from amendment:

Activity	Quantity	May 03 bond estimate	Amended bond estimate
topsoil haulage	2183 CY	@\$3.47 = \$7,575	@\$0.64 = \$1,397
manure	8.12 ac.	@\$300 = \$2,436	@\$150 = \$1,218

Amended Total = \$ 2,615

Granite Quarries

There is 100% of topsoil stockpiled at each of the granite quarries. Topsoil will not need to be transported from the camp area. The topsoil will be salvaged and divided into 2-3 small piles located so that there is less than 300 feet distance to travel when redepositing the topsoil. (See map #4) Composted manure will be at five tons per acre

rather than 10 tons per acre.

Changes in estimated bonding from amendment:

Activity	Quantity	May 03 bond estimate	Amended bond estimate
topsoil haulage	525 CY	@\$3.47 = \$1,182	@\$0.64 = \$336
manure	6.51 acre	@\$300 = \$1,953	@\$150 = \$977

Amended Total = \$ 1,313

Windridge, Little Heart, Antique White

There is sufficient topsoil necessary for reclamation at the quarry sites. Topsoil will not need to be transported from the camp area. Topsoil will be salvaged and divided into multiple small piles located so that there is less than 300 feet distance to travel when redepositing the topsoil. (See map #5) Composted manure will be at five tons per acre rather than 10 tons per acre.

Changes in estimated bonding from amendment:

Activity	Quantity	May 03 bond estimate	Amended bond estimate
topsoil haulage	302 CY	@\$3.47 = \$1,047	@\$0.64 = \$193
manure	3.74 ac.	@\$300 = \$1,122	@\$150 = \$561

Amended Total = \$ 754

***topsoil pile location on maps 1-5 are estimations. Piles will be located along ridgelines.**

Mine Use Roads and Post Mine Use Roads

A request was made by Star Stone at the June 16, 2003 meeting for post-mine use approval on certain roads on Star Stone's property. After some discussion the following was agreed upon: (Refer to map # 6)

- a. Road 8 is to be reclaimed near West Granite mine.
- b. The upper portion of road 8 that connects to road 10 will be left for access to the north end of the property.
- c. Road 3 will be reclaimed from camp to Autumn Gold

d. Road 1 is to be reclaimed in exchange for road 13. Bonding needs to be held until reclamation is complete on this road.

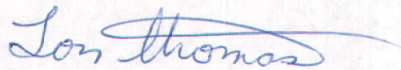
e. Road 11 access will be considered a post mine use road until such time, if ever, that it is used for quarry operations.

f. Road 10 access will be considered a post mine use road.

Star Stone Quarries requests that these amendments be permitted and given approval in writing. We also request that the bonding estimate be re-estimated to reflect these changes.

Thank you for your time and consideration of our concerns. We appreciate your willingness to meet with us and come to a consensus. We look forward to receiving a response to this amendment so that we can move ahead with the bonding and reclamation as soon as possible.

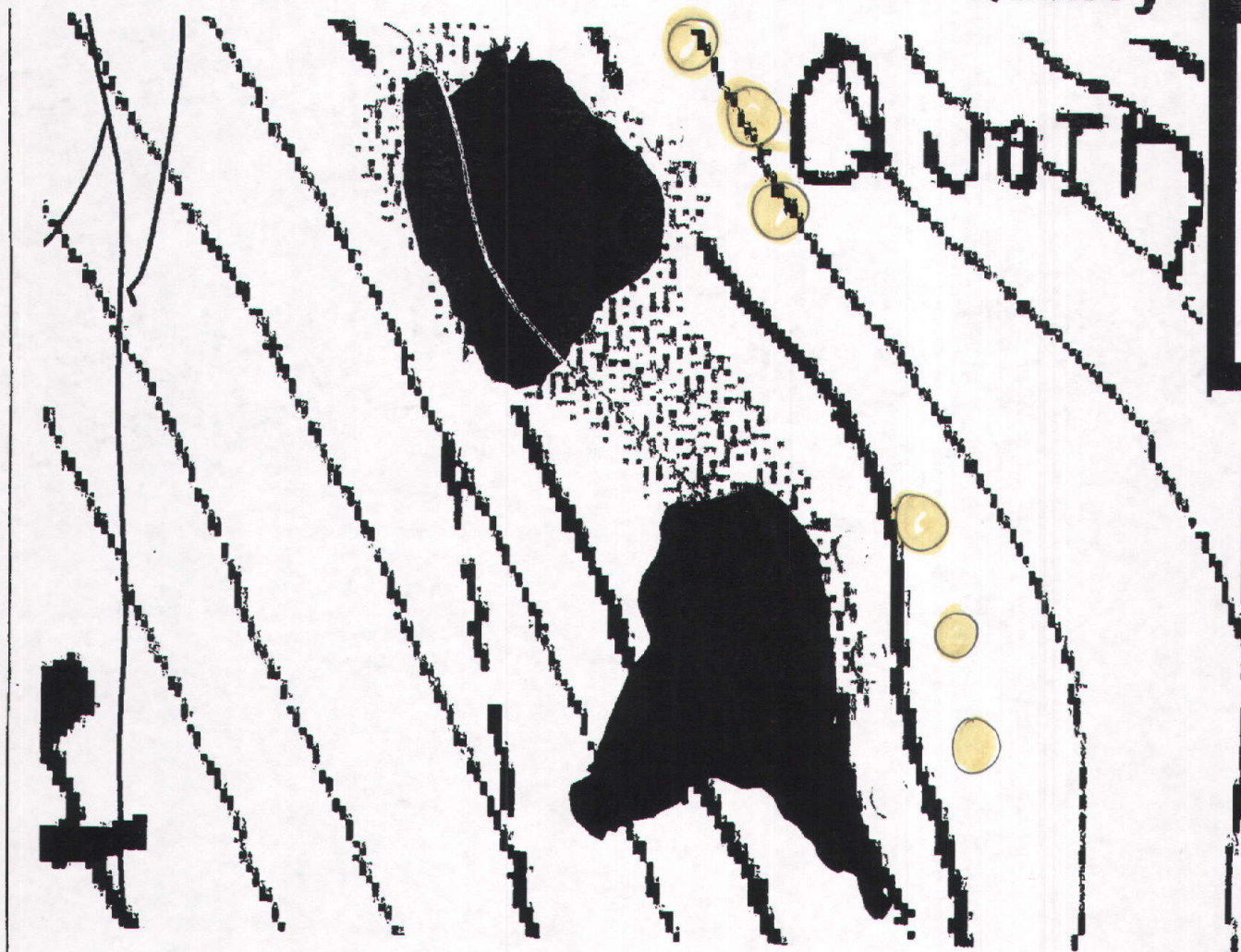
Sincerely,

A handwritten signature in blue ink that reads "Lon Thomas". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Lon Thomas

Star Stone Quarries, Inc

Klondike Gold Cotton Thomas Quarry



300 0 300 600 Feet

Aspen Frost

Map # 1

Aspen Frost
Klondike Gold
Topsoil Stockpiles

06/2003



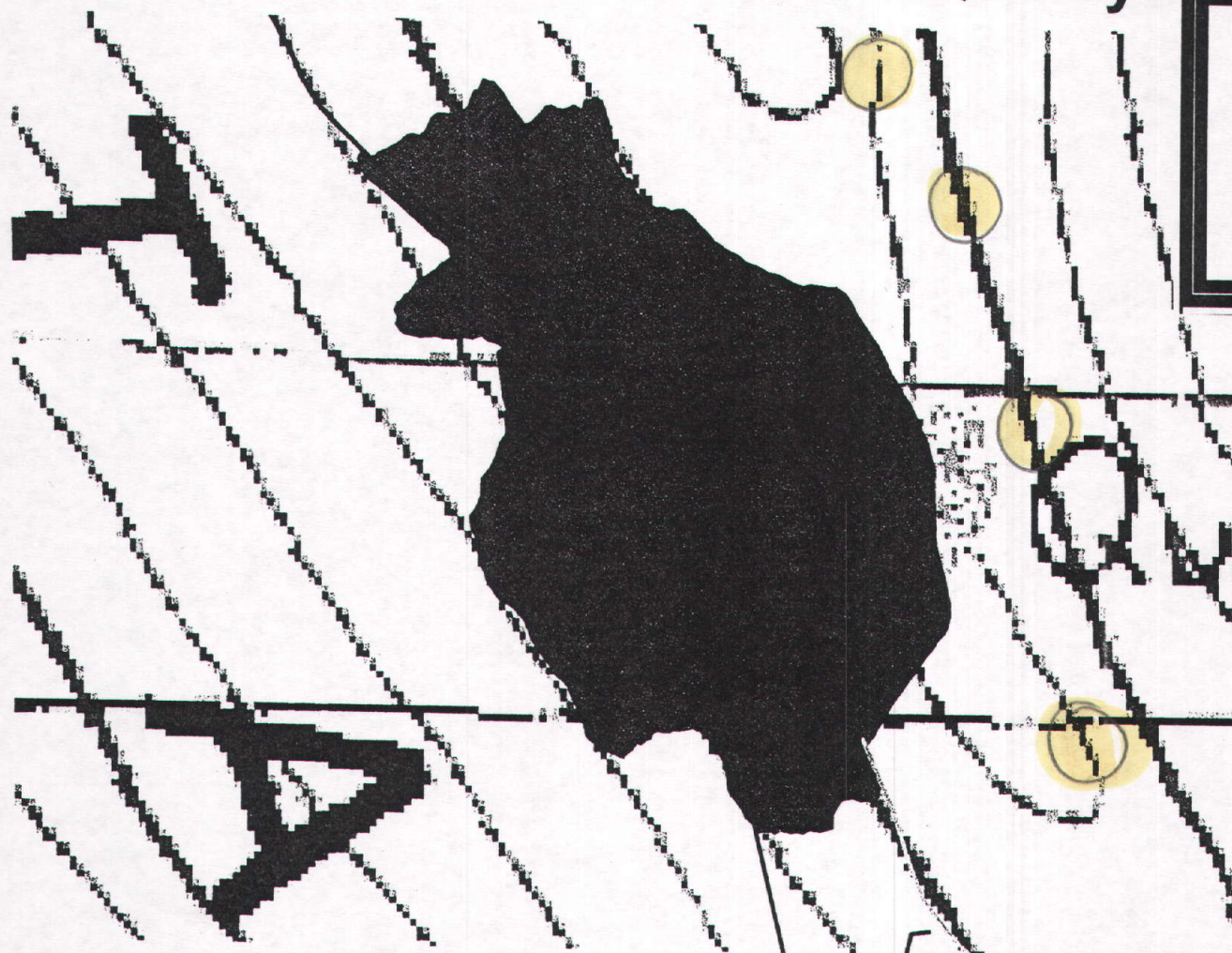
Star Stone Quarries, Inc Cotton Thomas Quarry

Map # 2

Autumn Gold

Topsoil Stockpiles

06/2003



300 0 300 600 Feet



Star Stone Quarries, Inc Cotton Thomas Quarry

Map # 3

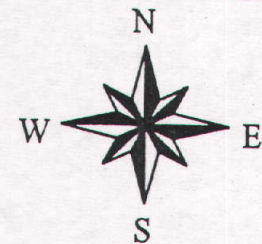
Buckskin

Topsoil Stockpiles

06/2003



300 0 300 600 Feet



Star Stone Quarries, Inc Cotton Thomas Quarry

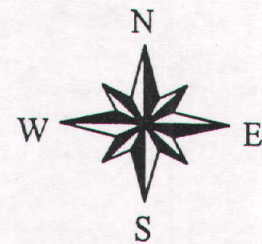
Map # 4

Granite Quarries
Topsoil Stockpiles

06/2003



North Granite



300 0 300 600 Feet

Star Stone Quarries, Inc Cotton Thomas Quarry

Map # 4

Granite Quarries
Topsoil Stockpiles

06/2003

South Granite



300 0 300 600 Feet



Star Stone Quarries, Inc Cotton Thomas Quarry

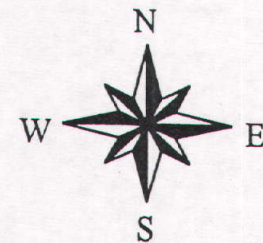
Map # 4

Granite Quarries
Topsoil Stockpiles

06/2003



East Granite



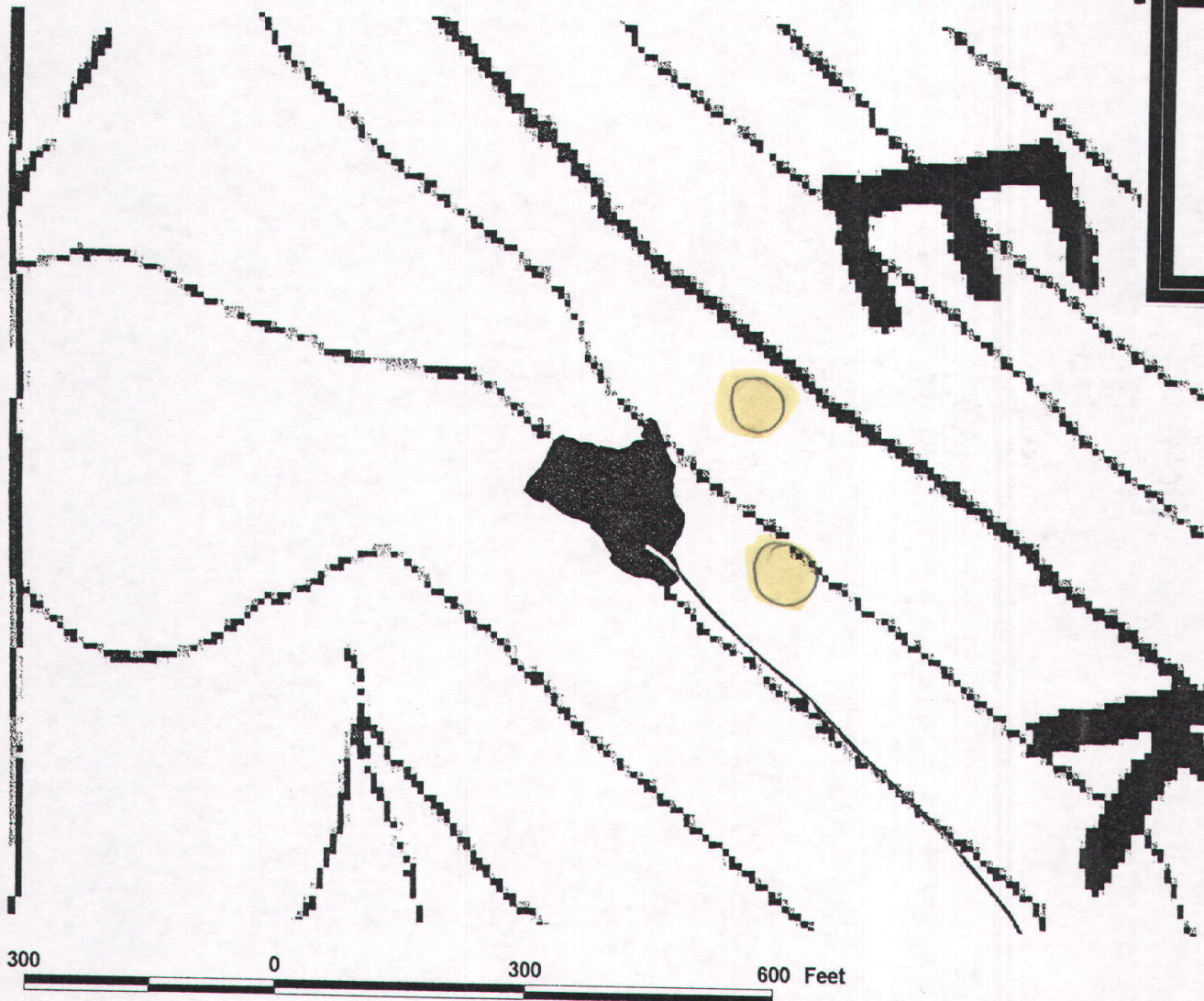
300 0 300 600 Feet

Star Stone Quarries, Inc Cotton Thomas Quarry

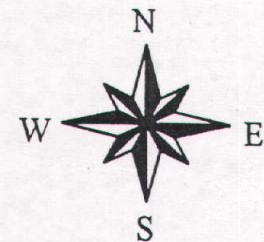
Map # 4

Granite Quarries
Topsoil Stockpiles

06/2003



West Granite



Star Stone Quarries, Inc Cotton Thomas Quarry

Map # 5

Windridge

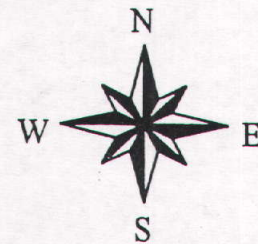
Little Heart

Antique White

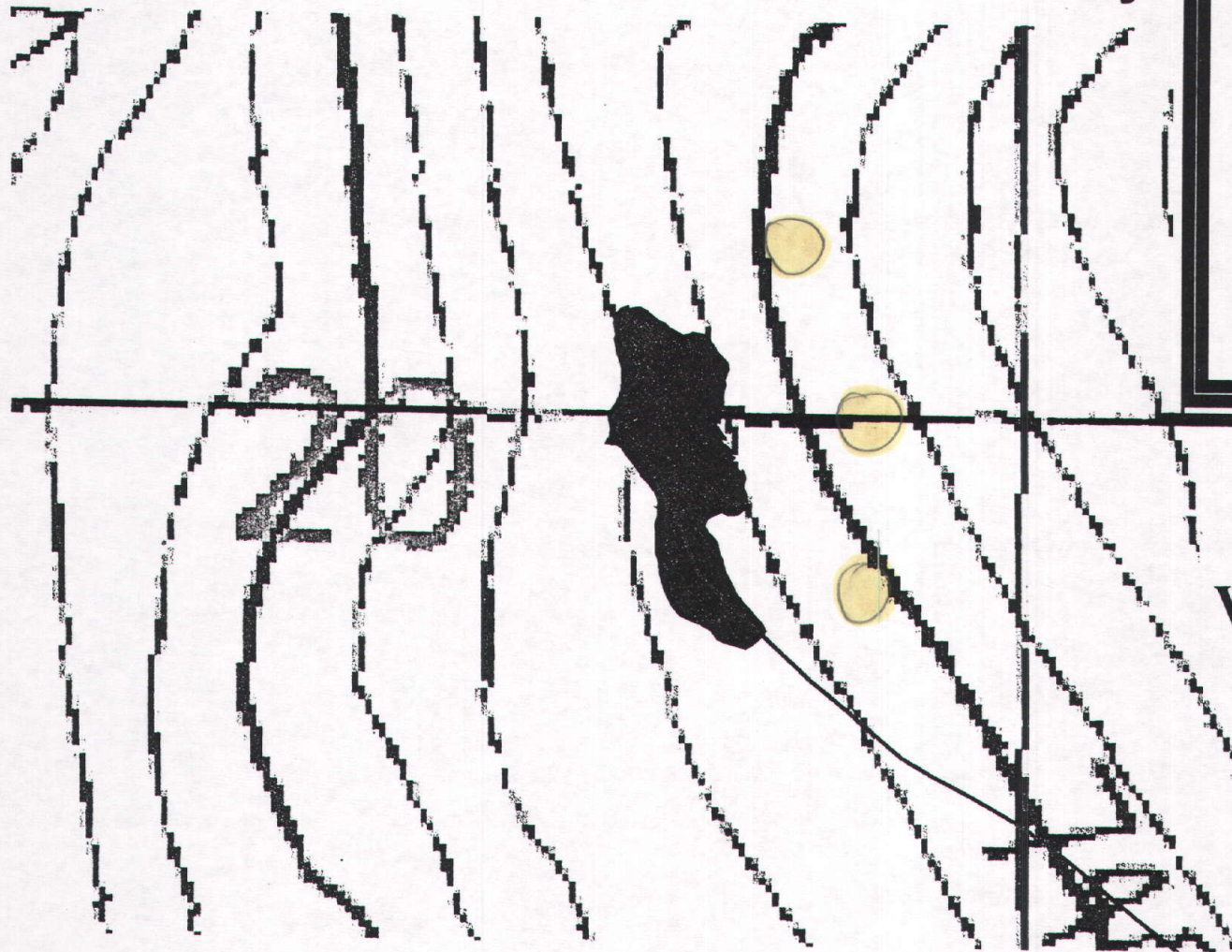
Topsoil Stockpiles

6/2003

Windridge Rubble



300 0 300 600 Feet

A horizontal scale bar with four segments. The first segment is labeled '300', the second '0', the third '300', and the fourth '600 Feet'.

Star Stone Quarries, Inc Cotton Thomas Quarry

Map # 5

Windridge
Little Heart
Antique White
Topsoil Stockpiles

6/2003

Little Heart



300 0 300 600 Feet

A horizontal scale bar with four segments. The first segment is labeled '300', the second '0', the third '300', and the fourth '600 Feet'.

Star Stone Quarries, Inc Cotton Thomas Quarry

Map # 5

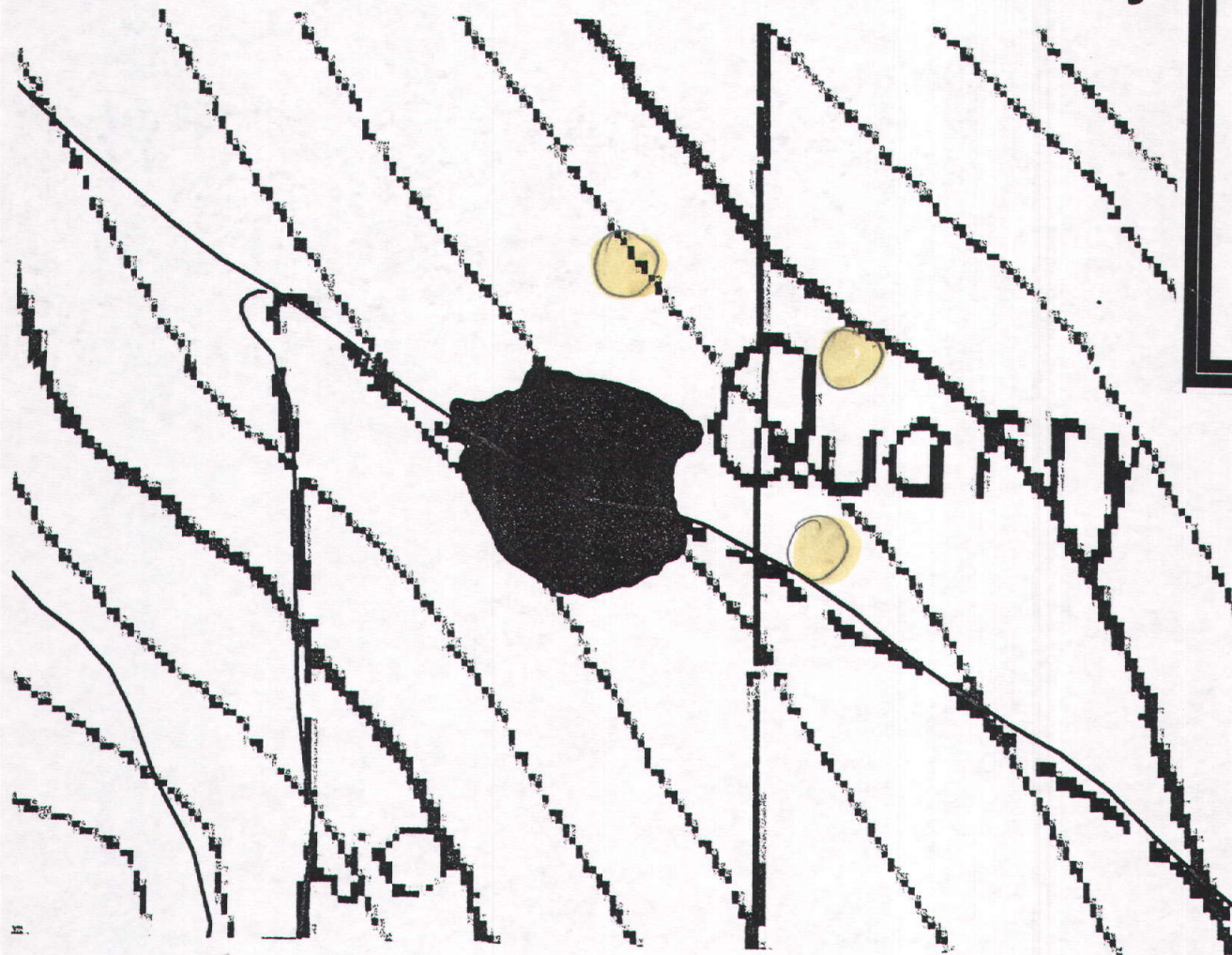
Windridge

Little Heart

Antique White

Topsoil Stockpiles

6/2003



300 0 300 600 Feet

Antique White

